

Minutes

Board of County Commissioners Hyde County

October 19, 2009

Chairman Tom Davis called the Regular meeting of the Hyde County Board of Commissioners to order at 7:00 PM on Monday, October 19, 2009 in the Hyde County Government Center, Multi-Use Room, and the Ocracoke School Commons Area using electronic conferencing equipment. The following members were present on the mainland: Commissioners Anson Byrd, Tom Davis, Sharon Spencer, and Barry Swindell; County Manager Carl Classen; County Attorney Sid Hassell; Clerk to the Board Lois Stotesberry; and members of the public. The following members were present on Ocracoke: Commissioners Gene Ballance; Deputy Clerk Jamie Tunnell; and members of the public.

Following the pledge of allegiance and opening prayer by Commissioner Byrd the meeting was called to order.

Agenda:

Chairman Davis asked for any changes to the October 19, 2009 meeting Agenda as presented by the Clerk. Commissioner Byrd moved to add Item III. B. – Ordinances and Resolutions – Bid Tab – Engelhard Water Treatment Plant Bonds; and V. L. – Other Matters – Development of A Personnel Board. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

Consideration of Minutes:

Chairman Davis reported that the October 5, 2009 Regular Meeting and the October 13, 2009 Special Meeting minutes will be laid over to the November 2, 2009 Regular Meeting to allow time for the Board to review the drafts minutes.

Public Hearings:

2009 QSCB School Improvement Project

Commissioner Spencer moved to open Public Hearing on 2009 QSCB School Improvement Project. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

State law requires the County Commissioners to conduct a public hearing on the School Improvement Project that will be funded using Qualified School Construction Bonds (QSCB). Members of the Board of Education and School Superintendent Gregg Todd were in attendance to review the Project and provide an update.

County Manager Carl Classen reported that the \$3.05 million Project will replace the cottage buildings at Mattamuskeet School with a new building housing two new shop classrooms, new bathrooms and six new classrooms. The Project will also renovate the gymnasium at Ocracoke School to provide more functional space and usability.

Qualified School Construction Bonds are a new financing tool authorized under the 2009 federal stimulus bill (ARRA) and provide the bond holder (typically a financial institution) with a tax credit allowing the financial institution to charge the bond holder (i.e., Hyde County) zero interest. Regulations for the bonds remain pending at the Treasury Department so a market has not been created, yet. Recently, the county manager has been advised that, as with the Qualified Zone Academy Bonds (QZAB), financial institutions sometimes ask bond issuers to pay a supplementary amount of 1-3 percent. The County will not know whether this happens or not until the bonds are put out to bid. Like other competitive bidding processes, if bids come back with a supplemental rate that exceeds what the Commissioners are willing to pay, the bonds can

either be re-bid or set aside to a later date. Setting aside, though, means development costs already incurred (e.g., architect fees, bond counsel fees, etc.) will need to be paid from other sources until bonds for the project are sold or other financing is secured.

\$3,050,000 for twelve years at 0.00% creates an approximate annual payment of \$254,167, of which the School Superintendent says existing capital improvement revenues to the Board of Education can pay for the first \$80,000. The remaining \$174,167 is equivalent to 1.75 cents on the Hyde County property tax rate – 1 cent equaling \$100,000 revenue. For every one percent increase in the interest rate, the amount of annual debt service will increase approximately \$30,500. If the bonds are issued in spring 2010, the additional revenue will be required in the FY2011-12 budget. FY2010-11 debt service payments can be budgeted using the \$80,000 already distributed to the Board of Education for capital improvements (see above).

If the FY2009-10 countywide tax rate of 52 cents per \$100 of assessed valuation is increased by two cents, it will be close to the 2008-09 statewide average tax rate of 56 cents. If the Hyde County FY2010-11 effective tax rate is equal to or greater than the statewide average tax, then Hyde County becomes eligible for over \$1.1 million in Low Wealth funding from the State in FY2011-12.

Commissioner Swindell moved to close Public Hearing on 2009 QSCB School Improvement Project and to re-visit this topic during the November 2, 2009 Regular Board Meeting. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

Hazard Mitigation Plan Update

Commissioner Byrd moved to open Public Hearing on Hyde County Hazard Mitigation Plan Update. Mr. Davis seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

State law and federal rules requires the County Commissioners to conduct a public hearing on the update to the Hyde County Hazard Mitigation Plan. This Plan, which was first written earlier this decade and first updated in 2008, has been recommended for additional amendments during the federal review of the 2008 Plan Update. Another public hearing is required before the amended Plan Update can be re-submitted to the State and FEMA for their final approval. Failure to have an approved Hazard Mitigation Plan could make Hyde County ineligible for some pre- and post-disaster grant/loan assistance.

County Manager Carl Classen reported that the Plan Update was done in-house by County staff – Kris Noble, Jane Hodges, and Jessica Gibbs – with support from many other county employees. By doing the work in-house, an estimated \$20,000 in consulting fees was saved. Future updates (every 3-5 years) will likely need to be done under contract by an outside firm unless additional staff capacity is available when the Plan needs updating.

Commissioner Swindell moved to close Public Hearing on Hyde County Hazard Mitigation Plan Update. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

Public Comments:

Chairman Davis called for comments from the public.

Tonda Cutrell-Flynn, native Fairfield resident, supported progress of the newly restructured Hyde County EMS Department and said she has heard many positive compliments from Pungo District Hospital Physicians and Staff. Tonda (representing Hyde County EMS staff and County citizens) asked the Board to make the necessary staffing changes in EMS Department before someone dies. She also asked that the Board not take Hyde County EMS from the citizens.

There being no further public comment, Chairman Davis continued the meeting.

Ordinances and Resolutions:

Bond Order – Engelhard Water Treatment Plant

County Manager Carl Classen presented a Bond Order that uses the water and sewer revenues of the County to pay for revenue bonds. The Bond Order was prepared by County's Bond Counsel, Mary Nash Rusher of Hunton & Williams. The Bond Order will be used for the Bond Resolution, which relates particularly to \$1.42 million USDA Revenue Bonds for the Engelhard Water Treatment Plant. Under the bond order, water and sewer revenues of the County are pledged to repay revenue bonds issued under the order. The bond order also provides a way for additional revenue bonds to be issued pledging water and sewer revenues when operating revenues (revenues after operating expenses) are 110% over what is needed to pay debt service on existing revenue bonds.

The Local Government Commission approved the financing for the Engelhard Water Treatment Plant at their October 6, 2009 meeting.

After discussion, Mr. Byrd moved to approve Bond Order – Engelhard Water Treatment Plant in accordance with GS 153A-45 (Adoption of Ordinances); to authorize the Chairman, Clerk, County Attorney, Bond Counsel, County Manager and other County officials, as necessary, to sign and execute all documents in support of this action or actions authorized under the Bond Order; and, to make necessary correction of all typographical errors within the document. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, Swindell, and Chairman Davis; Nays – None; Absent or Not Voting – None.

CLERK'S NOTE: A copy of "Bond Order – Engelhard Water Treatment Plant" is attached herewith as Exhibit A and incorporated herein by reference.

Commissioner Davis Excused

Commissioner Swindell moved to excuse Commissioner Davis due to conflict of interest with the Engelhard Water Treatment Plant Bond Resolution. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, and Swindell. Nays – None; Absent or Not Voting – Davis.

Mr. Davis left the meeting and did not participate in discussion. Commissioner Swindell, Vice Chairman, presided over the meeting in the Chairman's absence.

Engelhard Water Treatment Plant – Interim Financing – Bid Tab

County Manager Carl Classen presented a bid tab in response to the Request for Proposal (RFP) developed by the Local Government Commission for interim financing of \$1,420,000 for the Engelhard Water Treatment Plant. The interim financing expires in February 2011, at which point the financing will be converted to a 38-year Revenue Board held by USDA.

CLERK'S NOTE: A copy of "Engelhard Water Treatment Plant – Interim Financing – Bid Tab" is attached herewith as Exhibit B and incorporated herein by reference.

Commissioner Byrd moved to approve bid tab for interim financing for the Engelhard Water Treatment Plant; authorize acceptance of the bid from East Carolina Bank; and, authorize the Chairman, Vice Chairman, County Attorney, Bond Counsel, Clerk, County Manager and other County officials to sign and execute such documents in support of this action. Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, and Swindell. Nays – None; Absent or Not Voting – Davis.

Bond Resolution – Engelhard Water Treatment Plant

County Manager Carl Classen presented a Bond Resolution that authorizes financing under the Water and Sewer Revenue Bond Order for \$1.42 million USDA Revenue Bonds for the

Engelhard Water Treatment Plant. The Local Government Commission approved the financing for the Engelhard Water Treatment Plant at their October 6, 2009 meeting.

Commissioner Byrd moved to approve Bond Resolution for the Engelhard Water Treatment Plant. Authorize the Chairman, Clerk, County Attorney, Bond Counsel, County Manager and other County officials, as necessary, to sign and execute all documents in support of this action or actions authorized under the Bond Resolution. Mr. Ballance seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, and Swindell. Nays – None; Absent or Not Voting – Davis.

Commissioner Davis returned and again presided over the meeting.

CLERK'S NOTE: A copy of "Resolution Authorizing The Issuance And Sale of Water And Sewer System Revenue Bonds And Bond Anticipation Notes of The County of Hyde, North Carolina, In The Aggregate principal Amount of \$1,420,000" is attached herewith as Exhibit C and incorporated herein by reference.

Appointments – Albemarle RC&D

Hearing no objection, Chairman Davis laid over appointment of a new Albemarle Resource Conservation & Development (RC&D) Board member to the November 2, 2009 Regular Meeting.

Other Matters:

Budget Revisions and Transfers

County Manager Carl Classen reported to the Board that in accordance with the FY2009-10 Budget Ordinance several budget transfers were made administratively and he requested approval of the following:

- A. **Senior Center:** Accept federal Stimulus grant from the Albemarle Commission for the provision of senior meals. Increases budget by \$2,927.
- B. **Finance Department:** Implements Commissioner action taken on October 13, 2009. Transfer funds within Department budget to cover salary expense of FMLA, Workers Compensation and Overtime Coordination duties taken on by Assistant Finance Officer. No change in Department budget.

Commissioner Swindell moved to approve budget amendments as presented by County Manager Carl Classen. Mr. Davis seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, and Swindell. Nays – Spencer; Absent or Not Voting – None.

Tax Department Pick-Ups and Releases

Tax Administrator Linda Basnight will be submitting tax releases for the November 2 Regular Meeting.

Tax Bills

County Manager Carl Classen presented a request for Authorization to Collect Taxes as prepared by Tax Administrator Linda Basnight. This is required annually.

Commissioner Byrd moved to approve the Authorization to Collect Taxes and authorize the Chairman and Clerk, and other County officials, as necessary, to sign and execute, as necessary. Mr. Davis seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

Swan Quarter Watershed Phase XII Project Agreement – Amendment No. 4 to Contract No. 69-4532-5-028

Grants Technician Kris Noble reported that the Natural Resource Conservation Service (NRCS) has requested Hyde County to approve and execute Amendment No. 4 to Project Agreement No. 69-4532-5-028, more commonly referred to as the Administration and Inspection contract. This agreement between the Natural Resource Conservation Service (NRCS) and Hyde County provides funds to locally administer the Swan Quarter Watershed Project and inspect all work performed. Each time additional funds are appropriated by the NRCS or changes are made regarding responsibilities or requirements this original Project Agreement must be amended to reflect those changes. Amendment No. 4 corrects a typographical errors present in Amendments No. 1 and No. 3.

Commissioner Swindell moved to approve Swan Quarter Watershed Phase XII Project Agreement Amendment No. 4 to Contract No. 69-4532-5-028. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

CLERK'S NOTE: A copy of "Swan Quarter Watershed Phase XII Project Agreement Amendment No. 4 to Contract No. 69-4532-5-028" is attached herewith as Exhibit D and incorporated herein by reference.

Swan Quarter Watershed Phase XII Project Agreement Amendment No. 5 to Contract No. 69-4532-5-028

Grants Technician Kris Noble reported that the Natural Resource Conservation Service (NRCS) has requested Hyde County to approve and execute Amendment No. 5 to Project Agreement No. 69-4532-5-028, more commonly referred to as the Administration and Inspection contract. This agreement between the Natural Resource Conservation Service (NRCS) and Hyde County provides funds to locally administer the Swan Quarter Watershed Project and inspect all work performed. Each time additional funds are appropriated by the NRCS or changes are made regarding responsibilities or requirements this original Project Agreement must be amended to reflect those changes. Amendment No. 5 changes the reporting requirements from quarterly submittal of SF-269, Financial Status Reports to quarterly submittal of SF-425, Federal Financial Reports.

Commissioner Byrd moved to approve Swan Quarter Watershed Phase XII Project Agreement Amendment No. 5 to Contract No. 69-4532-5-028. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

CLERK'S NOTE: A copy of "Swan Quarter Watershed Phase XII Project Agreement Amendment No. 5 to Contract No. 69-4532-5-028" is attached herewith as Exhibit E and incorporated herein by reference.

Swan Quarter Watershed Phase XII Project Agreement Amendment No. 11 to Contract No. 69-4532-5-001

Grants Technician Kris Noble reported that the Natural Resource Conservation Service (NRCS) has requested Hyde County to approve and execute Amendment No. 11 to Project Agreement 69-4532-5-001, more commonly referred to as the Construction contract. This agreement between the Natural Resource Conservation Service (NRCS) and Hyde County provides funds to construct the Swan Quarter Dike. Each time additional funds are appropriated by the NRCS or changes are made regarding responsibilities or requirements this original Project Agreement must be amended to reflect those changes. Amendment No. 11 changes the reporting requirements from quarterly submittal of SF-269, Financial Status Reports to quarterly submittal of SF-425, Federal Financial Reports.

Commissioner Swindell moved to approve Swan Quarter Watershed Phase XII Project Agreement Amendment No. 11 to Contract No. 69-4532-5-001. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

CLERK'S NOTE: A copy of "Swan Quarter Watershed Phase XII Project Agreement Amendment No. 11 to Contract No. 69-4532-5-001" is attached herewith as Exhibit F and incorporated herein by reference.

Child Support Enforcement (CSE) – Transition Planning

County Manager Carl Classen reported that the FY2009-10 State Budget closes the regional Child Support Enforcement (CSE) office (Manteo) operated by the State and serving Currituck, Dare, Hyde and Tyrrell counties on July 1, 2010. The responsibility shifts to the individual counties effective that date. This affects 28 counties statewide; almost half of which are in northeastern North Carolina (Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell, and Washington. DSS Director Gloria Spencer was available to answer questions.

Counties are required to submit a plan in January 2010 to the State for how CSE functions will be provided following closure of the State regional office.

In response, Social Service Directors and County Managers throughout the region have been reviewing alternatives, of which there are essentially three: (a) provide the service in-house; (b) provide services regionally through another county Social Service Department; or (c) provide the services regionally through a private contractor.

Hyde County has approximately 250 CSE cases annually. This small amount could be handled in-house but with additional staffing/contracts (attorney; paralegal; administrative support). However, this may not be the most cost-effective method for providing these services for Hyde County.

A regional request for proposal (RFP) for CSE service through a private vendor is presently being developed and will be distributed within the next month. Hyde County will participate in that RFP. When responses are received, that will give staff a method of comparison what might be the most cost-effective means for providing CSE services in Hyde County. A staff recommendation will be presented to the Social Services Board for recommendation to the County Commissioners.

A statewide group of Social Service Directors is asking the State for additional time (February or March) for each county to provide a plan to the State. This additional time will allow Hyde County to review CSE service alternatives, including discussion by the Social Services Board and the County Commissioners.

After discussion, Commissioner Swindell moved to endorse request for additional time to review Child Support Enforcement (CSE) service options and submit CSE service plan to the State. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

Probation and Parole Office Space

County Manager Carl Classen reported that the FY2009-10 State Budget mandates that the State will cease paying counties for space used by Probation and Parole officers. These officers are employees of the State Department of Corrections (DOC). The budget further requires the County to provide suitable office space (privacy, secure, phone, etc) at no charge for these officers.

The Hyde County Board of Education signed a three-year lease in April 2009 with the Department of Corrections for space in O.O.A. Peay Building. DOC has told the County Manager that the State will stop paying for this space October 1 or reduce the amount coming to the County (facility fee revenue) in an amount equal to the amount paid to the Board of Education under the lease.

The Department of Corrections shows six (6) employees serving Hyde County but all of them, except for one surveillance officer, are based in either Tyrell or Beaufort counties. Further, the County provides a courtesy office in the Government Center (third floor; outside Courtroom) for the convenience of the surveillance officer. This has been provided unofficially at no charge since the Government Center opened in October 2007.

After discussion, Commissioner Spencer moved to authorize the County Manager to provide the Government Center office now being used by Probation and Parole as suitable office space. If the State reinstates funding for Probation and Parole offices in coming years, the existing lease with the Board of Education will still be in place and the funds will again flow to the Board of Education. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

Online Newsletter

Hearing no objection, Chairman Davis laid over discussion of the Online Newsletter to the November 2, 2009 Regular Meeting.

Ocracoke Radio Tower – Ocracoke Community Radio

Robin Payne, President, Ocracoke Foundation presented a request from the Ocracoke Foundation on behalf of Ocracoke Community Radio for use of the radio tower behind the Ocracoke Fire Station. In September 2008, the Commissioners endorsed a grant application to provide equipment allowing Ocracoke Community Radio to be broadcast over the airwaves. (The station now currently broadcasts over the Internet – www.wqvv.org)

Hyde County has a similar tower/community radio station arrangement at Mattamuskeet School where a radio station is operated by the School (presently re-broadcasting NPR) but is available to the County for emergency announcements or use during/after a declared emergency, such as a hurricane. Ocracoke Community Radio would provide the same service availability in lieu of payment for use of the radio tower.

To qualify for the grant, Ocracoke Community Radio needs a ten-year lease for use of the tower.

The radio tower behind the Ocracoke Fire Station appears to be on land owned by the Board of Education. As part of discussion in 2007, the Board of Education agreed to the site (and the tower, if needed) to the County so that County could apply for grants and otherwise improve or maintain the tower and related facilities. That transfer did not occur due to the press of other business (i.e., moving into new buildings; changes in staffing). A separate agreement may be necessary with the Ocracoke Fire Department (and/or Ocracoke Fire Protection Association) for housing tower-related equipment owned or operated by the County in the Fire Station Building. Also, there is a small wooden shed adjacent to the base of the tower that is used to store supplies and equipment of the Ocracoke Mosquito Control Board. It is not known who owns this structure but, as with the Fire Station, a separate agreement may be necessary with the Board of Education and/or the Ocracoke Mosquito Control Board for housing tower-related equipment owned or operated by the County in the shed adjacent to the base of the tower.

After discussion, Chairman Byrd moved to authorize acceptance of the tower located behind the Ocracoke Fire Department and believed to be located on land presently owned by the Board of Education. Direct the County Manager to work with the County Attorney in drafting to draft necessary agreements and other documents with the Board of Education and other agencies, as needed, and authorize the Chairman, Vice Chairman, Clerk, County Manager and other County officials to sign and execute such documents in support of this action; and to direct the County Manager to work with the County Attorney to draft necessary agreements and other documents with the Board of Education, Ocracoke Volunteer Fire Department, Ocracoke Fire Protection Association, Ocracoke Mosquito Control Board and other agencies, as necessary, for the purpose of housing County equipment and supplies related to the radio tower or County uses of the

tower, authorize the Chairman, Vice Chairman, Clerk, County Manager and other County officials to sign and execute such documents in support of this action; and, to reserve final approval of a ten-year sublease.

Ocracoke Affordable Housing Project

Commissioner Byrd moved to excuse Commissioner Davis due to conflict of interest with The East Carolina Bank. Mr. Ballance seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, and Swindell. Nays – None; Absent or Not Voting – Davis.

Mr. Davis left the meeting and did not participate in discussion. Commissioner Swindell, Vice Chairman, presided over the meeting in the Chairman's absence.

Commissioner Ballance has been working with the Ocracoke Foundation on an Ocracoke Affordable Housing Project, which would provide housing for teachers servicing Ocracoke School. Board of Education Member David Tolson presented the Project.

Commissioner Byrd moved endorse the Ocracoke Affordable Housing Project and to authorize the County Manager and staff to assist research for funding. Mr. Ballance seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Spencer, and Swindell. Nays – None; Absent or Not Voting – Davis.

Mr. Davis returned and again presided over the meeting.

NC Agricultural Development & Farmland Preservation Trust Fund – Amendment #1

County Attorney Sid Hassell presented proposed Amendment #1 (Attachment F) to the NC Agricultural Development & Farmland Preservation Trust Fund.

Commissioner Byrd moved to approve Amendment #1 to the NC Agricultural Development & Farmland Preservation Trust Fund. Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

Development of A Hyde County Personnel Board

Commissioner Byrd recommended development of a Personnel Board which would sit in on assessment panel interviews for new hire department heads only. The County Attorney raised several legal issues about a Personnel Board. Commissioner Byrd stated he wanted to see more Commissioner involvement in appointment of department heads and salary increases.

Hearing no objection, Chairman Davis directed the County Manager to work with laid over discussion of a Personnel Board to increase Commissioner involvement in department head appointments and salary increases and to bring the matter back to the November 2, 2009 Regular Meeting.

County Commissioners Reports:

Commissioner Spencer stated her intent is not to take over personnel issues and agrees a Personnel Board sub-committee should be formed; asked the Board to consider recording and/or videotaping Board meeting; stated future personnel contracts, land purchases, etc. should be reviewed by the County attorney prior to execution; and, stated that counties need to support the Albemarle Commission.

Commissioner Byrd asked for report on the EMS hiring status.

Commissioner Swindell attended Health Board training meeting.

Commissioner Ballance reported he believes the Oregon Inlet Bridge Project is very important and will contact Dare County Commissioner Allen Ballance about efforts to find mitigation property in Dare County.

No other Board or Committee reports were offered so Mr. Davis continued with the Agenda.

County Manager's Report:

County Manager Carl Classen reported on various projects underway in the County and on other issues, including the following:

1. **Unified Government:** The County Commissioners discussed this concept in 2008 that would generate an additional \$250,000+ for the General Fund but felt there was not enough sufficient time prior to an election for the voters to become fully informed. Ostensibly, unified government precludes creation of municipalities in the County but, according to the School of Government, that is not the effect since only the General Assembly can authorize creation of a municipality so it can exempt itself from the Unified Government statute anytime it wishes to create a municipality. In addition to State subvention from the utility franchise tax (without a tax increase on utilities or property owners), the County will have the same authority as a municipality in addition to the authority granted to counties but only the extent the County decides to exercise that authority.

Hearing no objection, Chairman Davis laid over discussion of whether or not the County Commissioners want to put the question of Unified Government on an upcoming ballot (e.g., November 2010)?

2. **Part Time Assistance – Mattamuskeet Lodge Sewer Project:** The Mattamuskeet Lodge Sewer Project is now a \$5 million Project extending from the Engelhard Sanitary District wastewater property near the Airport east of Engelhard all the way to Mattamuskeet School. Additionally, the project has multiple grants from three State departments and a federal grant/loan package. The County Manager is requesting authority to hire a part time, temporary grant assistant (no grade) to help prepare, coordinate, monitor and advocate for the various funding applications. It is possible that the cost of this position can be paid for out of one or more of the funding applications; USDA in particular.

Commissioner Davis moved to approve hiring a person to begin work on or about November 1, through the end of the fiscal year, the cost is anticipated to be \$11,431 (30 hours/week X 8 months X 4.33 weeks per month X \$10 per hour plus 10% payroll taxes). Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

3. **Board Retreat:** The County Commissioner have discussed the idea of a retreat but it is difficult to put together an agenda or get estimates on the cost of a facilitator without knowing when and how long the Board wants to set aside for a retreat. The County Manager suggests that the Board set aside one afternoon, evening and the following morning for a retreat with presentations by department heads in the afternoon, discussion about major policy initiatives in the evening, and goal development by the Board the following morning.

Chairman Davis moved to hold a retreat between October 21 and December 25; to hire a facilitator (not to exceed \$2,500); and, to include a manager's assessment at this time. Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Davis, and Spencer. Nays – Byrd and Swindell; Absent or Not Voting – None.

4. **Tax Data:** Mr. Classen reported on the property tax values and estimated revenues by township and countywide as provided by Tax Administrator Linda Basnight. Two points noted include: (1) Because of revaluation, the sales ratio was improved from 72.43% to 97.98%, meaning property values are much more closely reflective of the market value; and (2) Despite having to make estimates to prepare the revenue neutral rate (upon which the tax rate was eventually adopted) as part of the FY2009-10 budget estimate, the actual

net total value (after exemptions) of \$1.090 billion is within 3.31% of the estimated \$1.055 billion.

5. Engelhard Airport – Stormwater: New federal and State rules require the County to develop and implement a stormwater plan for the County-owned airport at Engelhard. The County Manager proposes to utilize the present engineers, Talbert & Bright, for this purpose. The engineers will be attending a workshop this week from which they expect to develop a cost estimate for developing the stormwater plan.
6. Emergency Medical Services Staffing Plan: As part of the plan for Emergency Medical Services mentioned at prior meetings and in response to Commissioners comments, Interim Emergency Services Direct Jeanette Jones presented an outline for two policy options for staffing EMS. Ms. Jones will be putting together staffing options and costs to include hiring a minimum of (10) EAMT-paramedics and (4) EMT-Basics.
7. Swan Quarter Dike Project – USDA Grant/Loan Application – Engelhard Sanitary District: On October 8, County staff met with representatives of USDA Rural Development and the County's engineers (HobbsUpchurch) to discuss the Mattamuskeet Lodge Sewer Project. The \$5 million Project, which is eligible for a 45% grant with offsets against the loan portions using the existing State grants, includes homes near Mattamuskeet School and can include the School itself. Unlike the State, USDA strongly recommends that the application come from the Engelhard Sanitary District as the District can pledge its revenue stream for payment of the bonds, which USDA feels is better security than the County, which only collects revenues on behalf of the District (not directly from the customers; nor does the County set the rate).

Commissioner Byrd moved to give the County Manager authorization for County employees to work with the Engelhard Sanitary District to submit the USDA application and to recoup as much of the application expense as possible from future USDA proceeds. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

Commissioner Swindell further moved that the County Attorney represents both the County and the District and, as when the County and District jointly developed the 2008 revenue collection interlocal agreement, the County Attorney be authorized to work on behalf of both entities, subject to approval of the District and subject to the Rules of North Carolina Bar Association (or other applicable entities). Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis Spencer, and Swindell. Nays – None; Absent or Not Voting – None.

8. Digital Records: Digital records are a major part of the County's records and State law/regulations have become better developed in recent years. The County Manager has held initial discussion with the State and several vendors to develop a system for organizing, backing up, and retrieving County digital records both in-site and off-site. Working with State ITS, the County Manager recommended developing a plan that will be brought before the County Commissioners for consideration. Like Codification, there is expected to be high start-up cost and then a monthly or annual maintenance cost as records are backed-up off-site. Hearing no objections, the County Manager will develop a plan for management of County digital records.

Recess: At 9:42 PM Chairman Davis declared a 10 minute recess.

Closed Session

Commissioner Swindell moved to enter closed session in accordance with NCGS 143-318.11(a)(6) - Personnel Matters; NCGS 143-318.11(a)(3) – Consultation with Legal Counsel; and, with NCGS 143-318.11(a)(5) Acquisition of Property. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell; Nays – None; Absent or Not Voting – None.

The Commissioners entered closed session at 9:52 P.M.

Commissioner Davis moved to return from Closed Session. Ms. Spencer seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, and Swindell; Nays – None; Absent or Not Voting – None.

The Commissioners re-entered regular session at 10:45 P.M.

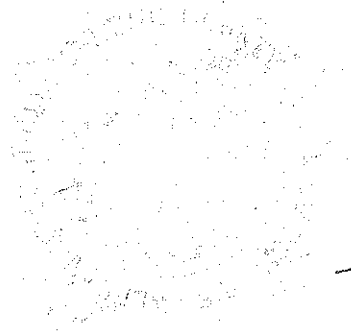
There being no further matters to come before the Commissioners, Mr. Swindell moved to adjourn the meeting. Mr. Byrd seconded the motion. The motion passed on the following vote: Ayes – Ballance, Byrd, Davis, Spencer, and Swindell; Nays – None; Absent or Not Voting – None.

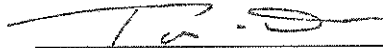
The meeting adjourned at 10:46 PM.

Respectfully submitted:

Minutes approved on the 2nd day of November, 2009.


Lois Stotesberry, Clerk - Hyde County Board of Commissioners





Tom Davis, Chairman - Hyde County Board of Commissioners

Attachments:

Exhibit A – *“Bond Order – Engelhard Water Treatment Plant”*

Exhibit B – *“Engelhard Water Treatment Plant – Interim Financing – Bid Tab”*

Exhibit C – *“Resolution Authorizing The Issuance And Sale of Water And Sewer System Revenue Bonds And Bond Anticipation Notes of The County of Hyde, North Carolina, In The Aggregate principal Amount of \$1,420,000”*

Exhibit D – *“Swan Quarter Watershed Phase XII Project Agreement Amendment No. 4 to Contract No. 69-4532-5-028”*

Exhibit E – *“Swan Quarter Watershed Phase XII Project Agreement Amendment No. 5 to Contract No. 69-4532-5-028”*

Exhibit F – *“Swan Quarter Watershed Phase XII Project Agreement Amendment No. 11 to Contract No. 69-4532-5-001”*